Program & Acquisition Management Improvement Efforts

David G. Ahern
Director, Portfolio Systems Acquisition
Functional Lead, Acquisition & Program Management

Program & Acquisition Management Initiatives

- There are several ongoing efforts focused on improving program outcomes that can be summarized into the following:
  - Human Capital Development—improving the quality of the workforce
    - Key Leader Professional Development —Level IV Certification
    - Incentive Pay
  - MDAP Support
    - Program Transition Workshops
    - MDAP Assists
  - Program Management Oversight
    - Standardization of POPS, possible DAES report replacement
    - Configuration Steering Boards
    - PEO SYSCOM Conference
  - Governing Forums
    - NDIA Industrial Committee on Program Management
    - Acquisition Management Functional Group

Initial Focus

- Ensure key leaders assigned to or selected for assignment to MDAP, MAIS and select special interest programs are properly qualified.
  - Ensure: establish/modify and manage qualification standards
  - Key Leaders: Those individuals assigned to or selected for assignment to a Key Leadership Position (as defined by 5000.66) within an MDAP, MAIS or select special interest program. This includes PM, DPM, lead contracting officer, lead SE, product support manager (logistics), lead cost estimator, lead BFM, lead production manufacturing manager, lead for T&E; PM ACAT II; May include Functional Deputies of MDAPs, MAIS and special interest programs by exception (these positions are a subset of Critical Acquisition Positions)
  - Assigned to or Selected For: assigned to means currently on the job; selected for means identified or designated to be assigned
  - Properly Qualified: possesses and demonstrates the appropriate competencies (behaviors, knowledge, skills, and abilities) necessary for assignments through experience, training, and

Key Leader Professional Development

Getting to Properly Qualified

- Goal: Ensure key leaders assigned to or selected for assignment to MDAP, MAIS and select special interest programs are properly qualified.
- Link effort to Sec 820 of PL 109-364 in defining “properly qualified” individuals serving in key positions on major defense acquisition programs and major automated information system programs.
- Getting to Properly Qualified Key Leaders—what does it take?
  - Demonstration of a progression of greater responsibility, breath and diversity of experience in required competencies
  - Level III certification in one or more functional areas
  - Executive Leadership development/training
  - Targeting of individuals with key leader potential (both military and civilian) (eg self nominated/board approved)
  - Actively managing the development of the pool of individuals with key leadership potential

Initial Focus –Career Path for Major Defense Acquisition Programs

Key Leader Development Way Forward

1. Identify the key multi-disciplinary competencies and level of demonstrated proficiency need by key leaders. Also identify any expert hard skill competencies and level of proficiency needed by the specific key functional leader to perform his/her function
2. Develop/Propose a career development model from start (intern) to finish (executive) that produces properly qualified key leader/ professionals possessing the right mix of competencies and proficiency
3. Evaluate current certification standards against the model and recommend changes to current training, education and experience (acquisition qualification standards) requirements needed by key leaders
4. Develop learning and career management assets needed to support recommended changes, identify resource requirements
5. Build a phased implementation strategy, low hanging

Key Leader Competencies by Area

Overarching Areas:
- Acquisition Management
- Requirements Management
- Risk Management

Professional Areas:
- Performance Management
- Change Management /Process Improvement
- Leading People
- Building Coalitions

Functional Areas:
- Program Management
- Contracting
- Systems Engineering
- Business and Financial Management
- Logistics & Support
- Test and Evaluation

Enabling Areas :
- The Defense Industry
- Acquisition Domains—Joint, International , Service

Where we are:

Indentified desired key leader competencies across the four areas .

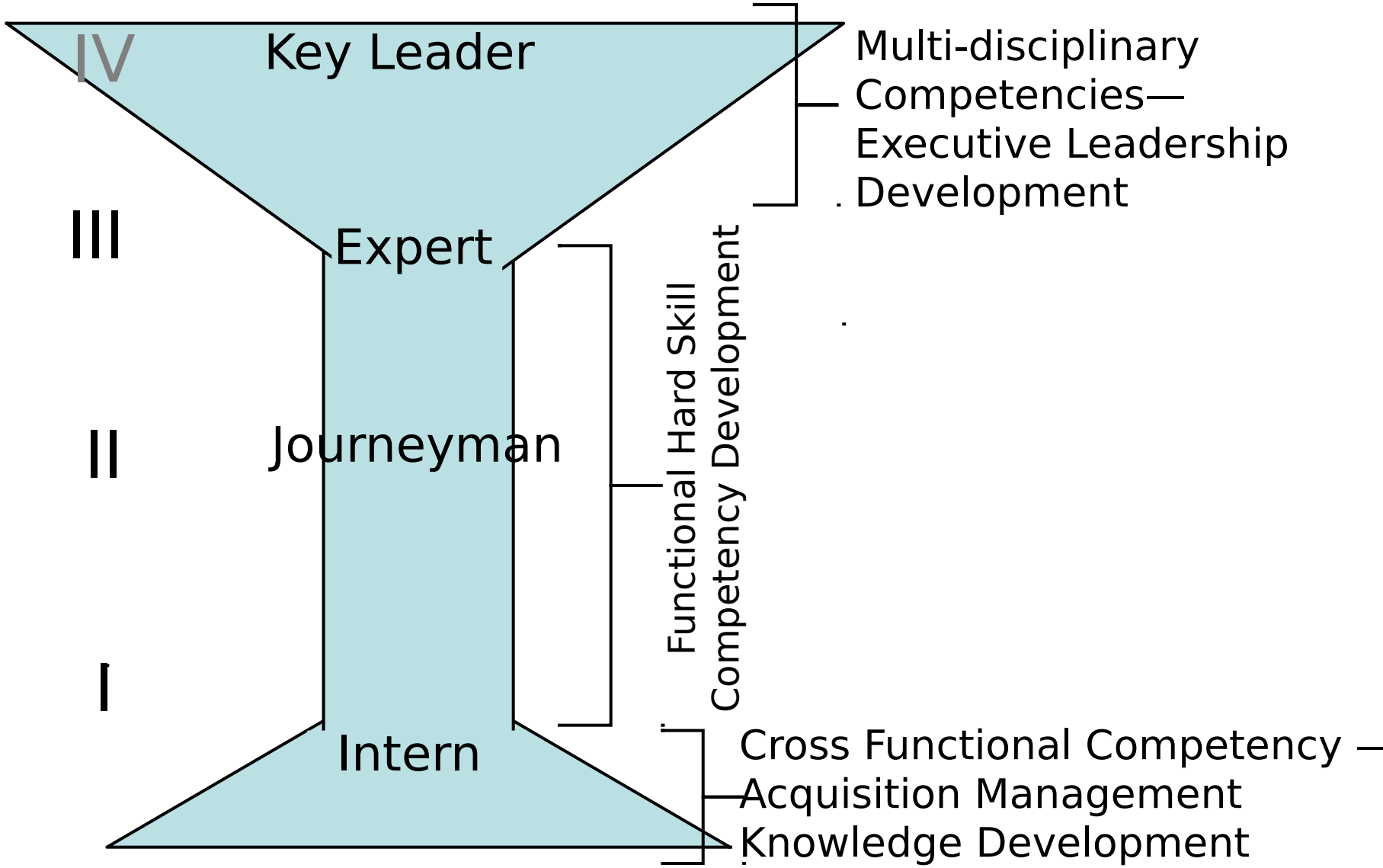
Functional area competencies have been broken out by knowledge and experience)

Working to integrate inputs from all competency areas and align to the framework

Goal : Complete the competency

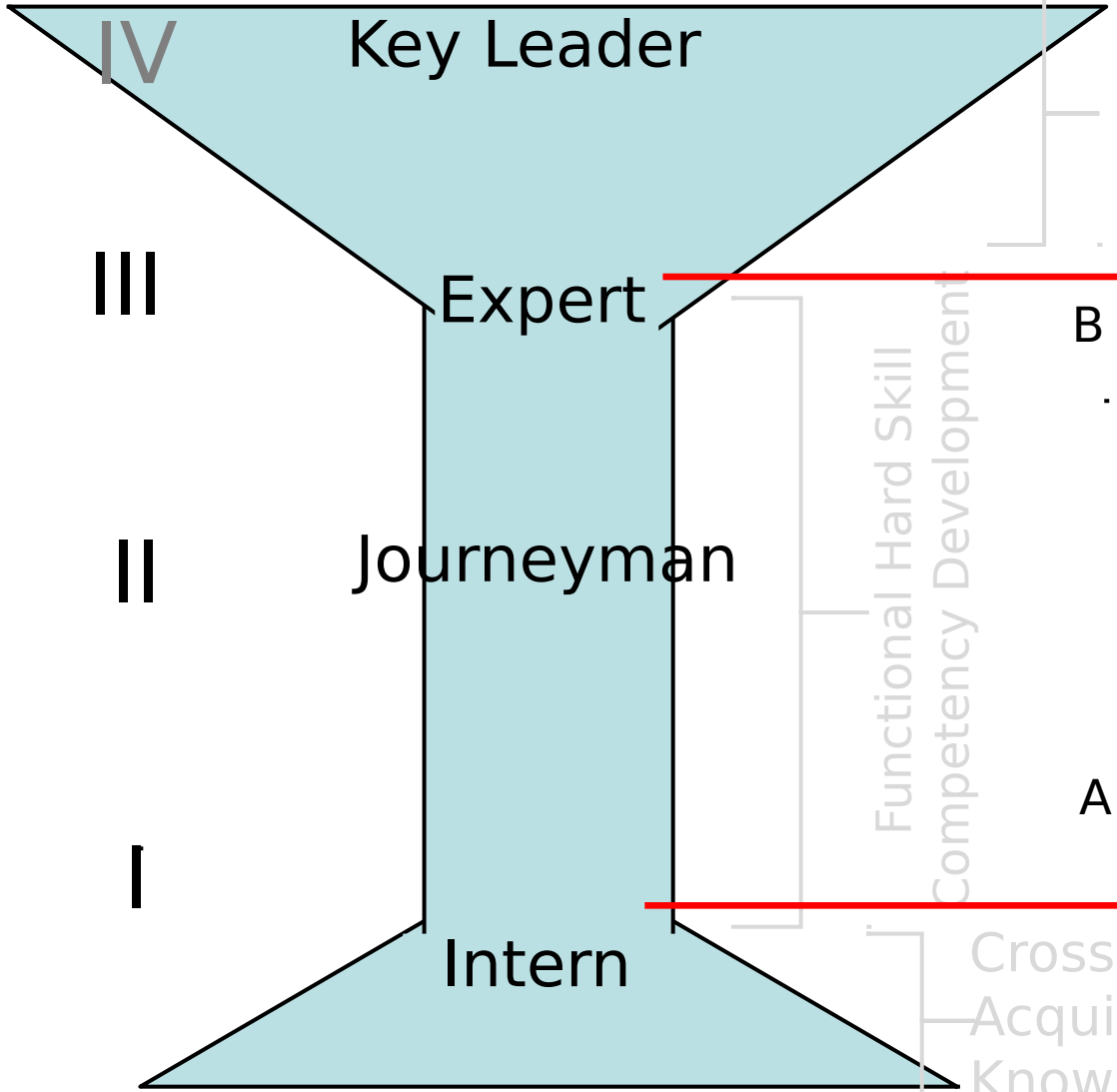
Possible Key Leader Career Development Model

For Major Defense Acquisition Programs



Building A Qualified Key Leader Candidate Pool

Through the creation Leadership Development Programs



B: Level III Identification At the completion of Level III certification Self Nominate and Board Select (based on demonstrated experience) for a entrance into Executive Leadership Development

A: Early Identification At the entry level of a journeyman, Self Nominate and Board select for a Key Leadership Development

Incentive Pay

Section 853 on Program Management Empowerment and Accountability Goal: Recruit and maintain the highest caliber military and civilian members into the acquisition workforce

Proposal: Create a multidimensional incentive system exclusively for the acquisition workforce that recognizes:

- Professional commitment involved in meeting acquisition training, education and experience requirements
- Level of accountability involved in taking on key leadership positions within a Major Defense Acquisition Program—high visibility, multi-billion dollar programs
- Value of the government trained acquisition workforce to industry.
- Requirement for certain positions in program offices to be filled by government personnel.
- Difficulty convincing qualified folks to take on more responsibility with no financial or promotion potential.
- Need to motivate well qualified, experience acquisition professionals to stay in government.
- The need to grow the acquisition workforce.

•**Status: On Hold:** Multiple options developed, currently lack valid analysis to support the need, developing this and other initiatives to support need for incentives

MDAP Assist Options

Program Assists

PEO input may expand aspects of support

Executive Coaching

One-on-One Assistance <u>for High Potential PMs</u>

- **Establish Relationship with Proven PM**
- **Resource & Thinking Partner**
- **Transformational leadership focus**

Program Startup Workshops

Helps focus government and industry teams at critical program inflection <u>points</u>

- **Program Initiation**
- **Milestone transitions**
- **Re baseline efforts**
  - **Post Nunn-McCurdy**
  - **Other**

Program Advisory Teams

Provides tailored assistance in typically difficult program <u>areas</u>

- **Acquisition Strategy**
- **RFP Development**
- **Cost/EVM Processes**
- **Risk**
- **Milestone Preparation**
- **IMP/IMS, etc.**
- **Major Reviews**

Intact Team Training (Conclave)

Provides training/rehearsal, focused on difficult program events, for <u>intact program teams</u>

- **IBR/Milestone Preparation**
- **RFP Development**
- **Source Selection**
- **Synergy when followed by Program Advisory Teams**

MDAP Assist Capabilities

- **Goal**: Improve acquisition outcomes, by providing MDAP Assists to Programs throughout the lifecycle
- Program Transition Workshops: Facilitated meetings to assist government and industry teams at critical program inflection points that are designed to clarify expectations and identify possible risks and opportunities upfront
  - Typically conducted at pre/post milestones, Major reviews and post Nunn-McCurdy, and includes PMO event workup.
  - Developing Policy Proposal to make these a required event
- Program Assist Teams: Designated teams consisting of one or more subject matter experts identified to address specific issues

  Strategic: Acquisition Strategy Development, Milestone Preparation, Nunn-McCurdy Recovery, Risk , Integrated Master Plan

  Operational: Staffing and organization, targeted team training

  Tactical: RFP Development, Cost/EVM Processes, Major Review and Milestone Prep, IMS and

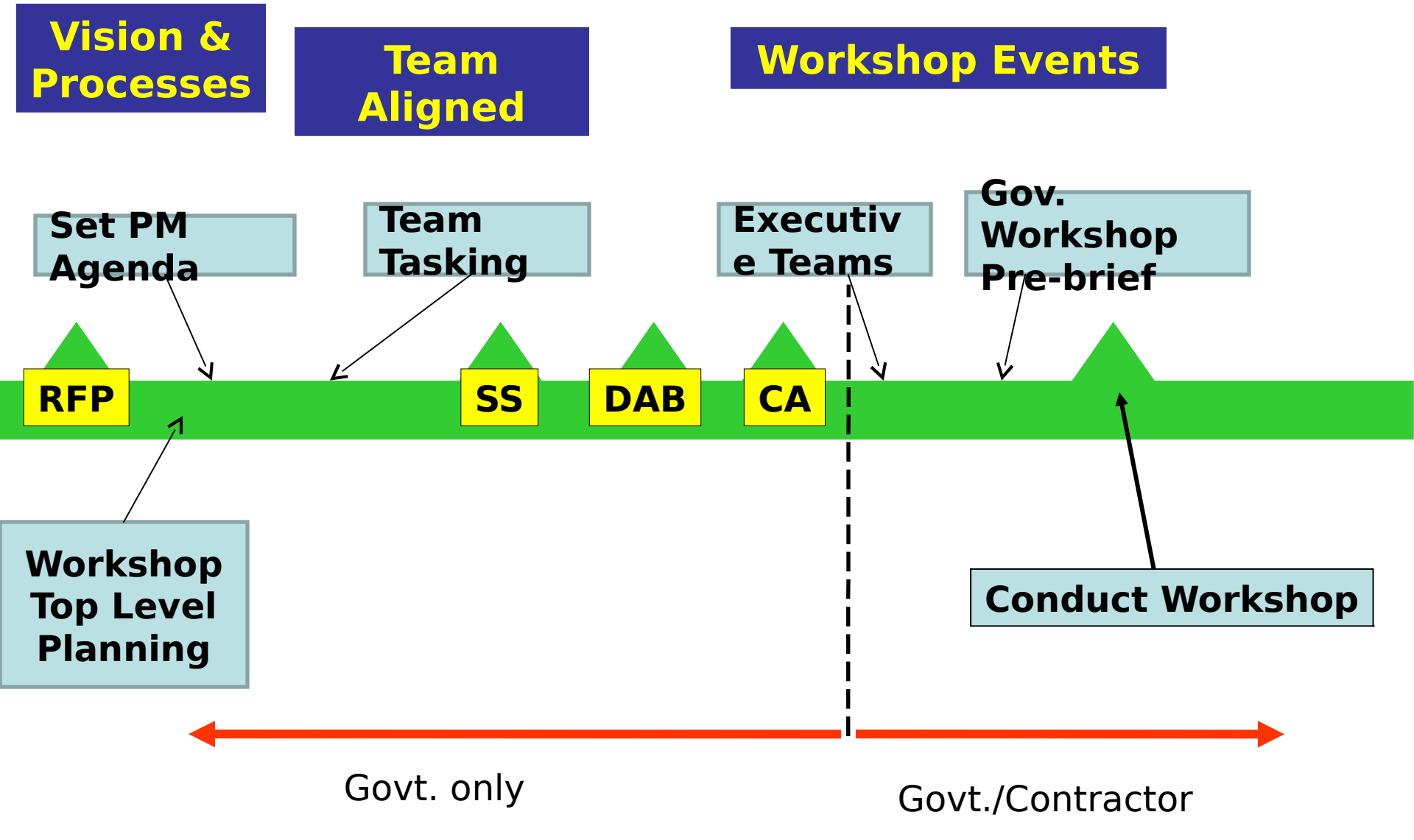
Program Transition Workshops

- Pilot Programs for ICPM in 2008/2009
  - JTRS AMF/C-5/GSE/JLTV/JCREW
  - Upcoming: SDB II & VIPS(BTA) (Virtual Interacting Processing System)
- Workshop Objectives
  - Align Contract Execution Processes
  - Align Government and Contractor Teams
  - Tailored for task; e.g., contract award/Nunn McCurdy breach
- Builds on Industry startup processes

Program Transition Workshop Benefits

- Program “jumpstart” on common processes
  - –Risk, IMP/IMS,EVM planning and metrics
- Increased transparency of activities
  - –Requirements flowdown, supplier setup, & data exchange
- Shared govt./contractor perspectives on program goals, business processes and intended outcomes before the real work begins
- Positive environment of trust, collaboration, teamwork and openness
  - –Clear communications and common contract goals
- Consistency of program execution

PTW Notional Planning Timeline/Events



PoPS Standardization -Background & Intent

- NDIA/ICPM Sub-Team working on Key Performance Indicators identified a set of metrics that might serve both government and industry (March 2009 ICPM)

- As of 2008, all Military Departments are utilizing some variant of PoPS (Probability of Program Success)—a program health assessment tool

- November 2008 Memo from AT&L, Director PSA to Military Deputies established as working group to determine a way forward on a common variant
  - Can we get to a common variant of PoPS within Defense?
  - What other program health/performance indicators are needed for a complete suite of assessment tools—PoPS+?
  - What enterprise level information requirements could be replaced by a PoPS +?

- Could a common variant of PoPS serve as the baseline

PoPS Framework Components
As defined by DoN version

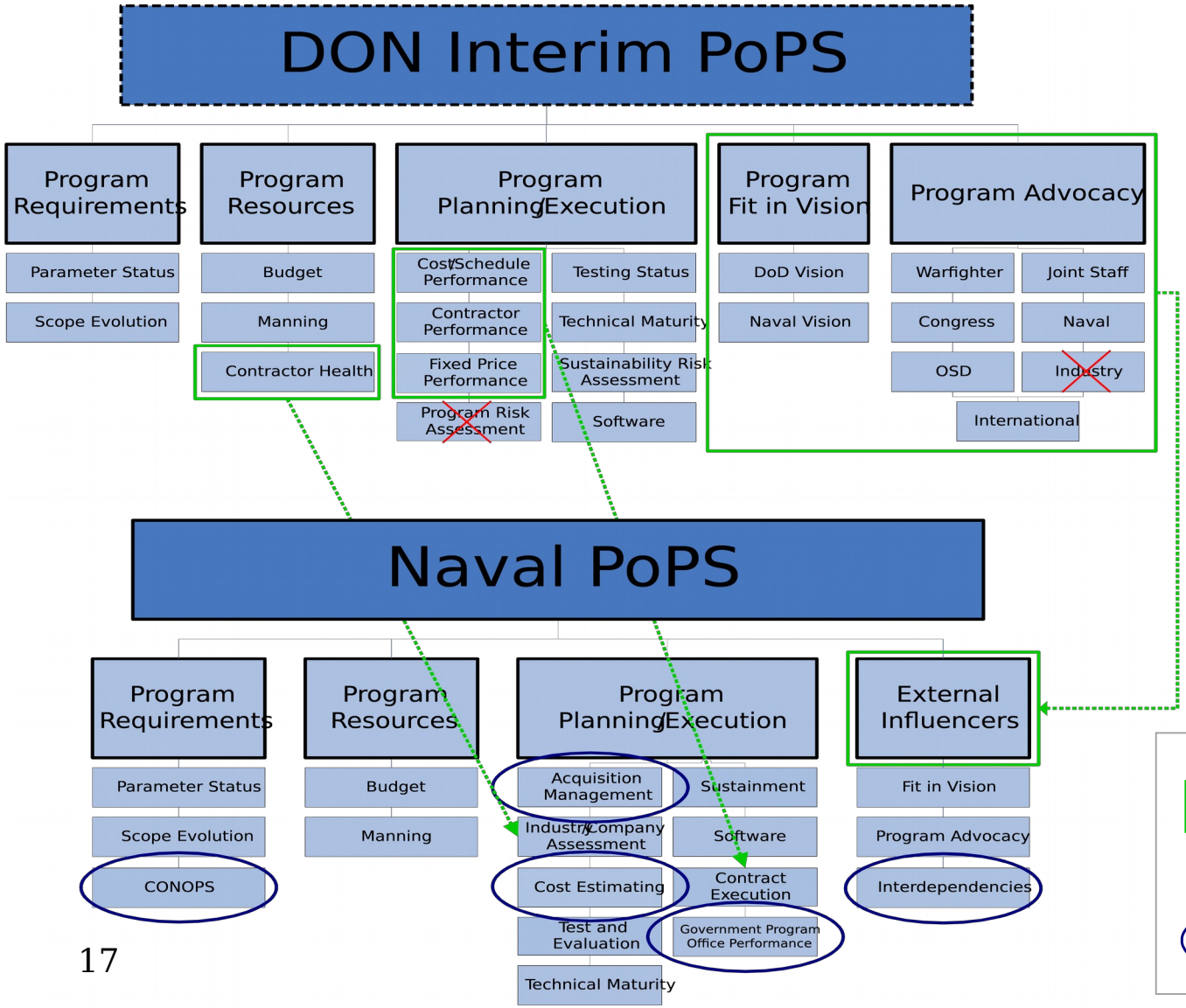
- Program Health: The current state of an acquisition program's requirements, resources, planning and execution activities, and external influencers, and how those factors are impacting the program's ability to deliver a capability within specific constraints.

- Factors: These are Program Health organizational categories. The four Factors are: Program Requirements, Program Resources, Program Planning and Execution, and External Influencers.

- Metrics: Major sub-categories that collectively define the scope of a particular Factor. There are 18 Metrics in the Naval PoPS 2.0 Program Health framework. Metrics are the basic building blocks of Naval PoPS.

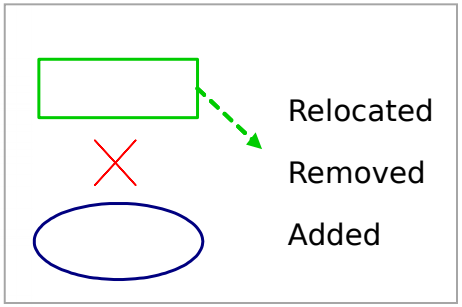
- Criteria: Parameters (qualitative and quantitative) used to evaluate a particular Metric. Each Criteria is associated with a unique identification number to enable traceability between Naval PoPS documents and tools.

PoPs v1.0 Leveraged Air Force PoPS



AF/ DON Interim PoPS
5 Factors
22 Metrics
Subjective Criteria

Naval PoPS v1.0
4 Factors
17 Metrics
More Objective Criteria



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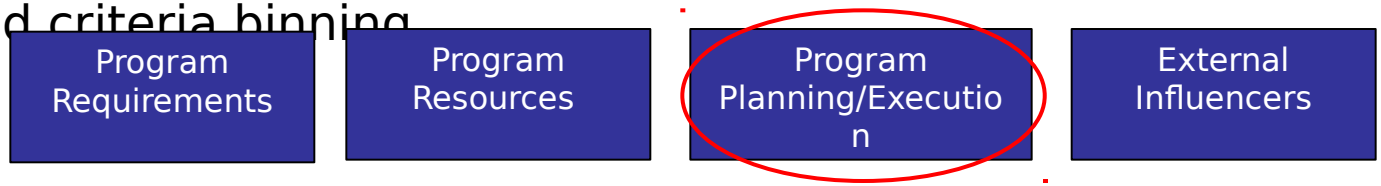
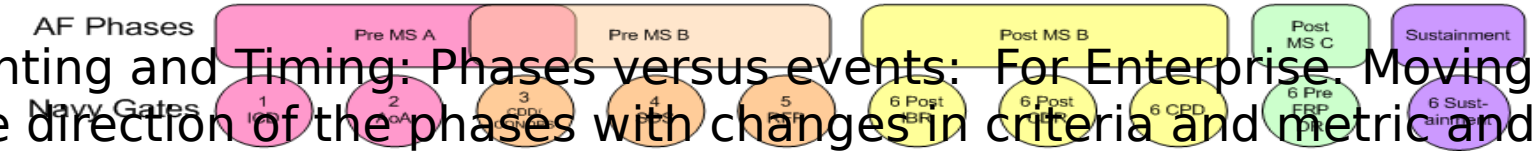
Status-Phase One –A common Framework

- February and March were spent evaluating criteria, weighting, timing, framework and philosophy differences between Air Force and Navy models.
- Factors: There is agreement that all three Departments can use the factors in the Naval PoPS version—geatest differences exist in metric and criteria binning

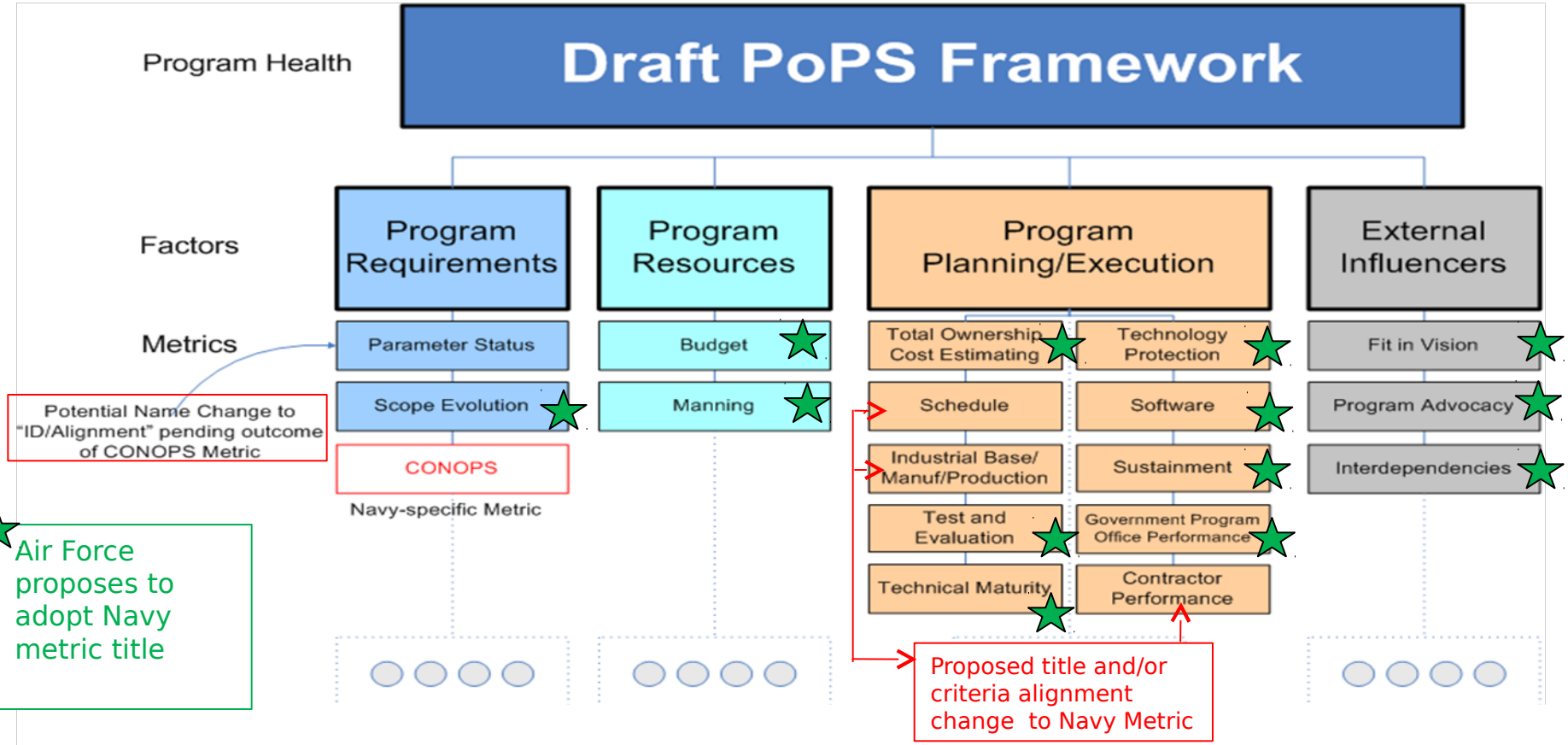


- Criteria: There is great commonality (80%) at the criteria level, differences arise in where the criteria is parked—what metric and factor, and component approaches to the usage of PoPS—none of these seem to be insurmountable



- Weighting and Timing: Phases versus events: For Enterprise. Moving in the direction of the phases with changes in criteria and metric and factor weighting aligned to the Navy events

Status-Phase One –Possible Pre A Framework



Framework Represents "Strawman" to be used to align Pre-A/Planning Phase/Gates 1,2 &3 criteria, Areas in green-agreement, areas in red-no agreement yet at the working level

Configuration Steering Boards (CSB)

- 30 July 2007 Memorandum USD AT&L Establishes CSBs
- 2009 National Defense Authorization Act directs CSBs to occur for all MDAPs
  - **Goal:** Develop and procure systems to deliver as much of the planned capability at or below the approved current baseline cost estimate
  - **Scope:** All current & future ACAT I programs.
  - **Methodology:** Systematically review and approve or disapprove any requirement changes and/or significant technical changes which could result in cost and schedule impacts to the program. Roughly annually, Program Managers to provide descoping options that reduce cost or moderate requirements
    - Decision Guidelines: Generally reject the change and descope or defer to future blocks/increments, coordinated with JS and Military Department requirements owners, only accept a change if the funding source is identified and budgeted, & schedule impacts are mitigated
    - Board Membership: Chaired by the Component Acquisition Executive with senior representatives from OUSD (AT&L), and the Joint Staff
  - **Status:** Military Departments, DISA and MDA have established a CSB process—Navy has theirs embedded in their Gate Reviews

NDIA/ICPM

- The purpose of the Industrial Committee on Program Management (ICPM) is to provide a forum for the senior acquisition and technology representatives from the Defense Department and senior executives of representative U.S. defense system manufacturers to periodically meet and review issues of common interest and concerns.

- OBJECTIVES:
  - Discuss and exchange views on program management issues.
  - Gain feedback from senior industry representatives.
  - Discuss OSD and service policies which affect relationships with suppliers.
  - Discuss emerging issues in government and industry which affect the readiness and capabilities of U.S. defense system producers.
  - Cooperate on various projects of mutual benefit to the ICPM participants.

NDIA ICPM Membership

- Corporate VP level, chartered NDIA committee
  - ASD (A), PSA, SSE, Service Military Deputies participation
- Companies represented:
  - Boeing
  - Lockheed-Martin
  - Raytheon
  - Northrup-Grumman
  - Honeywell
  - Bell Helicopter
  - BAE Systems
  - SI International
  - Battelle
  - Harris
  - Pratt Whitney
- Reps from other NDIA Sub-Committees
  - EVM, Test and Evaluation, and Systems Engineering

NDIA ICPM Topics

- Program Health Metrics, standardizing PoPS (Probability of Program Success)
- Earned Value Management
- Integrated Baseline Review
- Program Scheduling
- WBS Standardization and Program Implications
- Program Start-up Workshops, MDAP Assists
- Program Management Competencies
- Integrated Developmental Test and Operational Test
- Alignment and Integration of various Program Review efforts
- Emphasis on A to B and impact on Program Management

Acquisition Management Functional Group

- An action oriented cross-functional and cross component forum
- Focus: ensure that the acquisition workforce at large, and specifically the program offices collectively have the skills and tools to be effective and achieve desired outcomes.
- Membership:
  - Functional Leads: Business & Financial Management, Contracting, Engineering & Technology, Logistics, Program Management—Systems & International, Science & Technology
  - Component Acquisition Executives: Military Deputies, Civilian Deputies, DACMs
  - Defense Acquisition University Representative
- Current Focus Areas
  - Key Leader Professional Development
  - Acquisition Qualification Standards
  - Probability of Program Success Standardization

Back Up

Key Leader Professional Development Focus

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